



Social Security (Asset test Exempt Income Stream (Market-linked) — Payment Factors) Principles 2017

made under subsection 9BA(5) of the

Social Security Act 1991

Compilation No. 3

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Prepared by the Office of Parliamentary Counsel, Canberra

About this compilation

This compilation

This is a compilation of the *Social Security (Asset test Exempt Income Stream (Market-linked) — Payment Factors) Principles 2017* that shows the text of the law as amended and in force on 1 July 2022 (the **compilation date**).

The notes at the end of this compilation (the **endnotes**) include information about amending laws and the amendment history of provisions of the compiled law.

Uncommenced amendments

The effect of uncommenced amendments is not shown in the text of the compiled law. Any uncommenced amendments affecting the law are accessible on the Legislation Register (www.legislation.gov.au). The details of amendments made up to, but not commenced at, the compilation date are underlined in the endnotes. For more information on any uncommenced amendments, see the series page on the Legislation Register for the compiled law.

Application, saving and transitional provisions for provisions and amendments

If the operation of a provision or amendment of the compiled law is affected by an application, saving or transitional provision that is not included in this compilation, details are included in the endnotes.

Editorial changes

For more information about any editorial changes made in this compilation, see the endnotes.

Modifications

If the compiled law is modified by another law, the compiled law operates as modified but the modification does not amend the text of the law. Accordingly, this compilation does not show the text of the compiled law as modified. For more information on any modifications, see the series page on the Legislation Register for the compiled law.

Self-repealing provisions

If a provision of the compiled law has been repealed in accordance with a provision of the law, details are included in the endnotes.

1 Name of Principles

These Principles are the *Social Security (Asset test Exempt Income Stream (Market-linked) – Payment Factors) Principles 2017*.

3 Definition

In these Principles:

Act means the *Social Security Act 1991*.

4 Payment factors

Definition of PF

- (1) For the formula in subsection 9BA(5) of the Act, subject to subsection 4(1A) of these Principles, **PF** means the payment factor specified in column 3 of the table in this section of the Principles that corresponds with the remaining term of the income stream. The payment factor is to be applied:
 - (a) on 1 July of the financial year for which the total amount is being worked out; or
 - (b) if that financial year is the year in which the income stream commences — on the commencement day for the income stream,
- (1A) If the financial year for which the total amount is being worked out is a financial year commencing 1 July 2019, 1 July 2020, 1 July 2021 or 1 July 2022, when applying the formula in subsection 9BA(5) of the Act to determine the minimum amount of the payments to be made under the income stream, **PF** means a number that is twice the payment factor specified in column 3 of the table in this section of the Principles that corresponds with the remaining term of the income stream.
- (2) If the amount worked out under subsection 9BA (5) of the Act (using the payment factor applicable under subsection (1)) is not \$10, or a multiple of \$10, the applicable payment factor is taken to be the factor that results in that amount rounding to \$10, or the nearest multiple of \$10, as appropriate.
- (3) For subsection (1), the remaining term of an income stream is rounded to the nearest whole year as follows:
 - (a) if the commencement day of the income stream is on or after 1 January in a financial year, the term is rounded up to the nearest whole year;
 - (b) if the commencement day is on or before 31 December in a financial year, the term is rounded down to the nearest whole year.

Payment factors

Item	Term of income stream remaining	Payment factors
1	70 or more	26.00
2	69	25.91
3	68	25.82
4	67	25.72
5	66	25.62
6	65	25.52
7	64	25.41
8	63	25.30
9	62	25.19
10	61	25.07
11	60	24.94
12	59	24.82
13	58	24.69
14	57	24.55
15	56	24.41
16	55	24.26
17	54	24.11
18	53	23.96
19	52	23.80
20	51	23.63
21	50	23.46
22	49	23.28
23	48	23.09
24	47	22.90
25	46	22.70
26	45	22.50
27	44	22.28
28	43	22.06

Item	Term of income stream remaining	Payment factors
29	42	21.83
30	41	21.60
31	40	21.36
32	39	21.10
33	38	20.84
34	37	20.57
35	36	20.29
36	35	20.00
37	34	19.70
38	33	19.39
39	32	19.07
40	31	18.74
41	30	18.39
42	29	18.04
43	28	17.67
44	27	17.29
45	26	16.89
46	25	16.48
47	24	16.06
48	23	15.62
49	22	15.17
50	21	14.70
51	20	14.21
52	19	13.71
53	18	13.19
54	17	12.65
55	16	12.09
56	15	11.52
57	14	10.92
58	13	10.30
59	12	9.66